Subcommittee on Oversight and Investigations,
U.S House of Representatives, Committee on International Relations

Afghanistan: Is the Aid Getting Through?

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March 9, 2006

Mr. Chairman, members of the Subcommittee,

Thank you for the opportunity to testify on this very important subject. Given the substantive and symbolic importance of the effectiveness of US aid in Afghanistan to US security interests in the country, it is frankly shocking how little attention the topic has received from decision makers. This hearing is therefore timely and to be commended. We have seen much greater attention to the security and political dimensions of our involvement in Afghanistan. Yet aid effectiveness is an essential condition of success in these latter areas.

I shall focus today on the context for and constraints on effective assistance programs. I shall also focus on US assistance. This is not to deny the importance of the efforts of other donors and the international community as a collectivity, but rather to begin with what Congress has greatest influence and control over, and through what is within US control to work by means of positive example.

Two pervasive realities must frame our understanding of the effectiveness of US assistance. The scale of the development and humanitarian challenge in Afghanistan is enormous, even four and a half years after the overthrow of the Taliban and involvement of the international community. Furthermore, the daunting security environment constrains, and even vitiates, the international community's efforts to assist Afghanistan's reconstruction.

It is important that we have a realistic sense of how chronically poor and insecure an environment Afghanistan was for decades before the US invasion, and how stubbornly these factors have persisted since. Although there has been substantial progress in the gradual establishment of constitutional and representative political processes and of government authority, and the rudimentary development of indigenous police and military capacity, the significance of these for effective aid delivery has been slight.

Afghanistan remains one of the poorest countries in the world, ranking near the bottom of the UN's Human Development Index. Its literacy rate is below that of Sierra Leone and Guinea-Bissau, and between one-third and a half that of its neighbor Iran. While there have been advances in school enrollments, particularly for girls, since the invasion, these remain at below 40%. Life expectancy at birth in Afghanistan is 75% that of Pakistan's, well below the average for low income countries, and below the average for low human development countries and least developed countries. There is a four in ten probability that an Afghan newborn will not live to age forty. One out of five children dies before the age of five. Despite modest improvements, birth weight of Afghan babies

has remained low and fairly stable over the period before and after the invasion, at around half of all newborns. Half of five year olds are stunted in their growth.

Between 75 and 85% of Afghans have no reliable access to clean drinking water, and a smaller number have access to sanitation. Approximately eighty five thousand children under five die from diarrrhoea every year. Fewer than 14% of births are attended by any type of skilled health worker, and a woman dies of pregnancy related complications every half hour. It is to be noted that these samples of development indicators are the realities today, after several years of substantial international attention and intervention.

Even where there have been assistance initiatives that have posted records of success, such as improvements in legal and judicial infrastructure and institutional capacity - through courthouse construction, technical assistance to ministries and legal education - the reality remains that the majority of Afghans outside the cities (and many in the cities) remain untouched by them. Those avail themselves of the inconsistent patchwork of informal dispute resolution mechanisms – based on ethnic or local custom and embodied in the local *jirga* and *shura*. These are notable as much for injustice and inequity, particularly to women and local ethnic minorities, as for provision of ready dispute resolution.

We should note that there have been real accomplishments. Four million children have enrolled in school since the fall of the Taliban. Nearly forty percent are girls. Immunization has virtually eradicated polio. Five years ago polio caused disability in more people than land mines. A measles campaign has saved nearly 30,000 lives.

On the security and political fronts too, there have been real advances. Forty-five thousand Afghans have turned in their weapons and sought new job and trade skills, or support to start small businesses. Afghanistan has a constitution, and a president and parliament, more or less democratically elected.

More than 2 million people displaced from their homes due to continued conflict have returned. However, approximately 3.4 million Afghans remain outside the country. Less noticed health indicators, such as the fact that more than 2 million Afghans suffer from mental health problems, underline the ticking time-bomb presented by the volatile and potentially toxic interaction between the lack of human welfare and heightened social and political instability. An increase in conflict and extremism is a likely consequence.

Development advances, for instance in the status and welfare of girls and women, are often accompanied by heartbreaking setbacks: dozens of girls' schools burned, bombed or attacked, rapes, sex trafficking and forced marriage of women, illegal detentions and threats against women's rights activists, and illegal and armed seizure of homes and property.

The uncertain security situation and the related uncertain reach of government authority pose a substantial constraint on the effectiveness of US assistance. The plain fact is that many of the government's enemies have opposed, undermined and attacked aid programs and their implementers. Often fatal attacks on indigenous and expatriate aid workers, on UN and bilateral and non-governmental aid personnel, on facilities and vehicles, have not only undermined the effectiveness of the projects in question, but have also inhibited planning and operations of prospective projects, and have certainly

increased costs, slowed implementation, and complicated attempts to monitor, evaluate and assess effectiveness and accountability.

Infrastructure projects have been particularly affected. These are precisely the types of initiative that redound most to the government's authority if successful, or to lack of it if unsuccessful. US assistance policy and programming recognizes that economic growth is unlikely in the absence of repaired and enhanced basic physical infrastructure. It is expected that improved infrastructure will benefit basic agriculture and industry. A more ambitious but less realistic goal is that such infrastructure could promote market integration, private investment, and international trade. This is less realistic simply because the larger human capacity and social context for this is not presently available, nor in prospect. That in turn highlights the extent to which aid effectiveness can also be hampered by unrealistic expectations, both by setting impossible targets and by diffusing policy attention and resources among an excess of activities.

Other important and more realistic goals of US infrastructure assistance include expanded transport networks through physical rehabilitation of roads and civil aviation, and sustainable and low cost power supply and expanded telecommunication services.

Assessments of the seriousness and threat posed by the overall security situation in Afghanistan seem to vary, showing some significant distinctions between the assessments of the Joint Staff and the Defense Intelligence Agency. This uncertainty complicates aid policy and planning. And this complexity is further compounded by the uncertain intentions and actions of Afghanistan's most influential neighbor Pakistan. The

Subcommittee is of course well aware of the current, rather heated, controversy between the governments of Pakistan and Afghanistan. Elements in the Afghanistan government have alleged that Pakistani intelligence has not ceased its pre-2002 practice of covert assistance to the Taliban. President Karzai has suggested at the least he would like more cooperation from the government of Pakistan in pursuit of Afghan rebel forces based in Pakistan. These are of course part of the very Afghan insurgency that threatens the effectiveness of aid programs.

General Musharraf has himself spoken up, and in a tone of some pique, to suggest that these criticisms are part of a sinister anti-Pakistani agenda. My opinion is that there is substance to Afghanistan's concerns, whether because of intentional action by elements of the Pakistan government seeking to hedge their political and strategic bets in Afghanistan, or because of intra-governmental divisions and the President's incomplete control; most probably a mixture of both. Whatever the merits of this controversy, it is clear that part of the answer to aid effectiveness in Afghanistan must be sought in Pakistani policy, particularly given the enormous influence that the US should enjoy over it.

An equally significant factor is the persistence within Afghan borders of a multiplicity of local armed groups, the so-called "warlords." Many of these warlords continue to function as nominal local and regional representatives of the Kabul government, and many cooperate tactically with U.S. forces. Many such leaders have reinvented themselves as elected representatives, despite legal strictures against their running in elections. Many are responsible for extortion, human rights abuses and other

misbehavior. As a Security Council Mission noted a couple of years ago, "In too many areas, individuals and communities suffer from abuses of their basic rights by local commanders and factional leaders." Despite calls for their delegitimation, there have been practical limits to Kabul's capacity to govern, and to US forces capacity to carry out military operations, without them.

Thousands have died, including civilian bystanders, in factional fighting between these groups since the fall of the Taliban, as well as deliberately at their hands as they engage in coercion. This has undercut the credibility and authority of Kabul among ordinary Afghans. It has also added to the challenges of reconstruction by causing internal displacement of populations, and undermining efforts to repatriate Afghan refugees.

Both aid ineffectiveness and pervasive insecurity are implicated in opium production. Although GDP has increased modestly, at least in the most recent past, the poor economic and social condition of Afghanistan's overwhelmingly impoverished population, coupled with stagnation of opportunity, has left many farmers with at least the compelling temptation, if not the necessity, of growing poppies. Meanwhile, the control of trafficking has supported primarily criminal enterprises, whose armed capacity and proclivity to illegal behavior contributes to poor security. Trafficking has also been a source of finance for insurgents of various stripes, as it was for many US-supported *mujahideen* against the Soviets. We should be clear that there is a distinction to be drawn between farmers and traffickers. It is apparent that what we have here is a vicious cycle of insecurity and underdevelopment that is not susceptible to one-dimensional solution.

The appeal of aid programs will have to be solid and bright in order to substitute for farmers' reliance on the dubious armed "protection" of traffickers. Any realistic attempt to address obstacles to aid effectiveness must factor in the importance of opium production.

Optimists will note that there was a slight diminution in opium production between 2004 and 2005. This is true enough, but it is also the case that with brief variations the trend has been upwards for the last decade, and that the upward trend has continued since the US invasion. Even the lower 2005 figure reflects a 20 increase over 2003, and approximately the same increase over 2000, the last year of Taliban rule. Moreover, because of higher yields per acre and higher prices per kilogram, the income per hectare actually increased in 2005, as did income of opium growing families, and total value and profits diminished only modestly.

Conclusion

Facile conclusions about failures of assistance should be resisted. The highly insecure and dangerous conditions in Afghanistan pose obstacles not only to effective assistance, but even to meaningful measurement of effectiveness. Moreover, political-military policies are the key to effectiveness of assistance. Reconsideration is long overdue of US reliance on partners whose commitment to Afghanistan's security, stability and prosperity is highly dubious. Whatever the short term military advantages of such partnerships of convenience, they cut against the sustainable pursuit of US interests and Afghan stability in the long term.